

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re	:	
	:	<b>Chapter 11</b>
SEARS HOLDINGS CORPORATION, <i>et al.</i> ,	:	
	:	<b>Case No. 18-23538 (RDD)</b>
<b>Debtors<sup>1</sup>.</b>	:	
	:	<b>(Jointly Administered)</b>
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**SUPPLEMENTAL DECLARATION OF NATHANIEL SHAW**

Pursuant to 28 U.S.C. § 1746, under penalty of perjury, Nathaniel Shaw declares:

1. My name is Nathaniel Shaw. As set forth in my Declaration dated March 14, 2019, which was filed in connection with the motion of KBS for an order (i) compelling the above-captioned debtors (the “Debtors”) to immediately assume or reject their agreements with KBS and pay post-petition amounts due (or overdue) under those agreements (the “Motion”)

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); Max Serv, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (19870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); and SRe Holding Corporation (4816). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

[D.N. 2837], I am the Chief Commercial Officer (“CCO”) for Kellermeyer Bergensons Services, LLC (“Kellermeyer”) and its subsidiary companies, including its wholly-owned subsidiary Innovative Facilities Services, LLC (“IFS” and together with Kellermeyer, “KBS”). I have been employed by Kellermeyer for more than six years.

2. In my capacity as CCO, I am familiar with KBS’s relationship and agreements with the Debtors, as well as the amounts due to KBS under the agreements. Except as otherwise specifically indicated, all facts set forth in this Declaration are based upon my personal knowledge, and my review of the contracts, books and records of Kellermeyer and IFS, which are maintained by me or by persons working under my supervision. The information contained herein is true to the best my knowledge, except as to the matters herein stated to be made upon information and belief, and as to those matters I believe them to be true.

3. I submit this Supplemental Declaration in support of KBS’s amended motion for entry of an order, pursuant to §§105(a) and 503(b)(1)(A) of Title 11 of the United States Code (the “Bankruptcy Code”), (i) compelling the Debtors to immediately pay post-petition amounts past due under the Housekeeping Services Master Service Agreement and Housekeeping Services Agreement (Sears Automotive) with Kellermeyer, and their Housekeeping Services Master Service Agreement with IFS (together, the “Agreements”), and (ii) granting related relief (the “Amended Motion”).

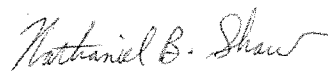
4. My original declaration was accompanied by charts of the KBS invoices (one chart of Kellermeyer and another for IFS) issued to the Debtors for services provided in January and February 2019, which were unpaid as of the date of the filing of the Motion. The Motion only sought payment of the amounts that were then past due – the amounts billed for services provided in January 2019. The amount past due to Kellermeyer was \$543,218.78, and the

amount past due to IFS was \$49,353.83, for a total administrative amount then past due and owing of \$543,218.78. No payments have been received by KBS on account of those invoices since the Motion was filed.

5. KBS continued to provide services through the date that the Debtors filed a notice of rejection of the Agreements, April 10, 2019, and for one day thereafter. I note that the notice of rejection was not filed until the evening of April 10<sup>th</sup>, and many of the janitorial and cleaning services that KBS provided to the Debtors under the Agreements were provided overnight, after the Debtors' stores closed. Given the timing of the rejection notice, overnight services were provided for the period April 10<sup>th</sup> to April 11<sup>th</sup>.

6. KBS continued to submit invoices to the Debtors for the services provided in the ordinary course, consistent with existing practices and the terms of the Agreements, for the period through April 11, 2019. Payment to Kellermeyer was due within twenty days of invoice, for an early payment discount, and otherwise within thirty days of invoice; the IFS agreements contained no early payment discount option. Charts showing the unpaid invoices for each of Kellermeyer and IFS, according to KBS records, were prepared under my supervision and are attached to this Supplemental Declaration as Exhibit 1. The total amount billed and past due as of the date of this Supplemental Declaration (net of the credits that are reflected in the charts) for the period January 1, 2019 through April 11, 2019 is \$1,169,267.60 for Kellermeyer and \$92,262.27 for IFS, for a total of \$1,261,529.80. (I note that only the Kellermeyer billings include April 11<sup>th</sup>.) These amounts include no interest, attorneys' fees or late fees.

Dated: August 22, 2019



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Nathaniel Shaw  
Chief Commercial Officer

**Exhibit 1**

KBS AGED

Invoice Number	Invoice date	Service Period	Invoice Amount	
INV2175903	1/31/2019	Sears January 1st-31st Porter Services	\$11,240.88	Post Petition Past Due Invoice
INV2180188	1/31/2019	Kmart 6day Porter January 1st-31st Services	\$33,301.68	Post Petition Past Due Invoice
ARB0162214	1/31/2019	Sears Auto Center services January 1st - 31st	\$5,733.75	Post Petition Past Due Invoice
INV2184720	1/31/2019	January 16th - 31st Floor Care Services	\$440,512.09	Post Petition Past Due Invoice
INV2180484	1/31/2019	January 1st - 31st Services at District Office	\$250.00	Post Petition Past Due Invoice
INV2186990	1/31/2019	Sears Extra Labor Services	\$714.70	Post Petition Past Due Invoice
INV2186989	1/31/2019	Kmart extra Labor Services	\$405.70	Post Petition Past Due Invoice
INV2186994	1/31/2019	Sears Unit 1765 fixture moves	\$521.07	Post Petition Past Due Invoice
INV2191230	1/31/2019	Sears Unit 1818 extra labor	\$729.28	Post Petition Past Due Invoice
INV2191229	1/31/2019	Kmart Unit 7756 Extra Labor	\$455.80	Post Petition Past Due Invoice
ARB0164433	3/31/2019	March Auto Center Services	\$4,020.00	Post Petition Past Due Invoice
CRM0147864	3/31/2019	Kmart No show credits	(\$4,165.03)	Post Petition Past Due Invoice
CRM0147865	3/31/2019	Sears No show credits	(\$1,583.66)	Post Petition Past Due Invoice
INV2240051	3/31/2019	March 1st - 31st Sears Porter Services	\$11,794.16	Post Petition Past Due Invoice
INV2242163	3/31/2019	March 1st - 31st Services at District Office	\$250.00	Post Petition Past Due Invoice
INV2244962	3/31/2019	March Kmart 6day Porter Services	\$19,841.07	Post Petition Past Due Invoice
INV2247555	3/31/2019	Sears Extra Billing services	\$2,748.68	Post Petition Past Due Invoice
INV2247556	3/31/2019	Kmart Extra Billing Services	\$2,139.33	Post Petition Past Due Invoice
INV2247556A	3/31/2019	Kmart Entrance extraction	\$234.84	Post Petition Past Due Invoice
INV2247558	3/31/2019	March 16th - 31st Floor Care	\$385,159.63	Post Petition Past Due Invoice
INV2266352	4/15/2019	April 1st - 11th Floor care	\$269,516.88	Post Petition Past Due Invoice
ARB0165042	4/15/2019	April Auto Center Services	\$1,067.49	Post Petition Past Due Invoice
INV2266360	4/15/2019	April 1st - 11th Services at District Office	\$91.66	Post Petition Past Due Invoice
INV2269554	4/16/2019	April 1st - 11th Sears Porter Services	\$2,747.45	Post Petition Past Due Invoice
INV2269555	4/16/2019	April 1st - 11th Kmart 6day Porter Services	\$5,534.94	Post Petition Past Due Invoice
INV2269556	4/16/2019	Sears Extra Billing services	\$848.30	Post Petition Past Due Invoice
INV2269558	4/16/2019	Kmart Extra Billing Services	\$633.95	Post Petition Past Due Invoice
INV226958A	4/16/2019	Kmart Unit 4214 strip project	\$2,905.18	Post Petition Past Due Invoice
CRM0149126	4/17/2019	Kmart No show credits	(\$4,943.63)	Post Petition Past Due Invoice
CRM0149246	4/17/2019	Sears No show credits	(\$4,681.56)	Post Petition Past Due Invoice
CRM0149572	4/29/2019	Kmart April Missed Service Credits	(\$10,401.16)	Post Petition Past Due Invoice
CRM0149573	4/29/2019	Sears April Missed Service Credits	(\$7,155.87)	Post Petition Past Due Invoice
INV2269558A	4/30/2019	Credit for Strip project approved by Anna	(\$1,200.00)	Post Petition Past Due Invoice
Total Unpaid Post Petition Invoices			\$1,169,267.60	

**Innovative-unpaid post-petition invoices**

Invoice Number	Invoice Date	Service Period	Invoice Amount	Net 30
INV0019505	1/15/2019	January 1st - 15th Floor Care	\$23,468.94	2/14/2019
INV0019508	1/31/2019	January 1st-31st Porter Services	\$3,200.00	3/2/2019
INV0019553	1/31/2019	January 16th - 31st Floor Care	\$22,684.89	3/2/2019
<b>Total Post Petition Past Due Invoices</b>			<b>\$49,353.83</b>	